

AMENDED IN SENATE MARCH 29, 2005

SENATE BILL

No. 923

Introduced by ~~Senator Florez~~ Senators *Florez and Ashburn*

February 22, 2005

~~An act to add Chapter 2.8 (commencing with Section 9950) to Part 1 of Division 3 of the Unemployment Insurance Code, relating to unemployment insurance. An act to add Section 2087 to the Health and Safety Code, and to add Sections 17207.7 and 24347.7 to the Revenue and Taxation Code, relating to West Nile virus, and declaring the urgency thereof, to take effect immediately.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 923, as amended, Florez. Unemployment: transition assistance.

Existing law provides for the establishment of mosquito and vector control districts.

This bill would, to the extent emergency funds are available, or made available, require the State Department of Health Services to allocate those funds to those districts and to the department for purposes of abatement and control of mosquitos and vectors that cause the transmission of West Nile virus, as provided.

The Personal Income Tax Law and the Corporation Tax law provide for the carryover to specified taxable years of specified losses sustained as a result of certain disasters.

This bill would allow the carryover to specified taxable years of any excess loss, as defined, sustained on or after January 1, 2005, as a result of the West Nile virus.

This bill would declare that it is to take effect immediately as an urgency statute.

~~The Unemployment Insurance Code provides various benefits for persons unemployed through no fault of their own.~~

~~This bill would provide that if a program or project undertaken by a public entity, as defined, results in the displacement of any worker, the displaced worker, as defined, is entitled to transition assistance and transition assistance advisory services. This bill would impose specified requirements on displacing agencies, as defined, in providing that assistance and services. This bill would impose specified requirements on displacing agencies, as defined, in providing that assistance and services. This bill would make legislative findings and declarations regarding transition assistance.~~

Vote: ~~majority~~^{2/3}. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 ~~SECTION 1. Chapter 2.8 (commencing with Section 9950) is~~
2 ~~added to Part 1 of Division 3 of the Unemployment Insurance~~
3 ~~Code, to read:~~

4 ~~SECTION 1. Section 2087 is added to the Health and Safety~~
5 ~~Code, to read:~~

6 ~~2087. (a) The Legislature finds and declares that West Nile~~
7 ~~virus poses a grave public health threat, and that it is imperative~~
8 ~~that adequate funds be made available for purposes of mosquito~~
9 ~~and vector control in order to prevent outbreaks of the virus.~~

10 ~~(b) Notwithstanding any other provision of law to the~~
11 ~~contrary, to the extent that emergency funds are available, or~~
12 ~~made available, the department shall allocate those funds, as~~
13 ~~follows:~~

14 ~~(1) To mosquito abatement and vector control districts for~~
15 ~~purposes of abatement and control of mosquitos and vectors that~~
16 ~~cause the transmission of West Nile virus.~~

17 ~~(2) To the department for purposes of abatement and control~~
18 ~~of mosquitos and vectors that cause the transmission of West Nile~~
19 ~~virus in those areas in this state where there are no existing~~
20 ~~mosquito and vector controls.~~

21 ~~SEC. 2. Section 17207.7 is added to the Revenue and~~
22 ~~Taxation Code, to read:~~

23 ~~17207.7. (a) An excess loss, as defined in subdivision (c),~~
24 ~~sustained on or after January 1, 2005, shall be carried to other~~
25 ~~taxable years as provided in subdivision (b), with respect to any~~
26 ~~loss sustained as a result of the West Nile virus.~~

1 (b) (1) In the case of any loss allowed under Section 165(c) of
2 the Internal Revenue Code, relating to limitation of losses of
3 individuals, any excess loss shall be carried forward to each of
4 the five taxable years following the taxable year for which the
5 loss is claimed. However, if there is any excess loss remaining
6 after the five-year period, then the applicable percentage, as set
7 forth in paragraph (1) of subdivision (b) of Section 17276, of that
8 excess loss shall be carried forward to each of the next 10
9 taxable years.

10 (2) The entire amount of any excess loss as defined in
11 subdivision (c) shall be carried to the earliest of the taxable
12 years to which, by reason of subdivision (b), the loss may be
13 carried. The portion of the loss which shall be carried to each of
14 the other taxable years shall be the excess, if any, of the amount
15 of excess loss over the sum of the adjusted taxable income for
16 each of the prior taxable years to which that excess loss is
17 carried.

18 (c) “Excess loss” means a loss computed pursuant to Section
19 165 of the Internal Revenue Code, which exceeds the adjusted
20 taxable income of the year of loss or, if the election under
21 subdivision (f) is made, the adjusted taxable income of the year
22 preceding the loss.

23 (d) Losses allowable under this section may not be taken into
24 account in computing a net operating loss deduction under
25 Section 172 of the Internal Revenue Code.

26 (e) For purposes of this section, “adjusted taxable income”
27 shall be defined by Section 1212(b)(2)(B) of the Internal Revenue
28 Code.

29 (f) A taxpayer may elect to take the loss into account in the
30 taxable year preceding the taxable year in which the loss is
31 incurred. The election may be made on a return or amended
32 return filed on or before the due date of the return, determined
33 with regard to extension, for the taxable year in which the
34 disaster occurred.

35 SEC. 3. Section 24347.7 is added to the Revenue and
36 Taxation Code, to read:

37 24347.7. (a) An excess loss, as defined in subdivision (c),
38 sustained on or after January 1, 2005, shall be carried to other
39 taxable years as provided in subdivision (b), with respect to any
40 loss sustained as a result of the West Nile virus.

(b) (1) In the case of any loss allowed under Section 165 of the Internal Revenue Code, relating to losses, any excess loss shall be carried forward to each of the five taxable years following the taxable year for which the loss is claimed. However, if there is any excess loss remaining after the five-year period, then the applicable percentage, as set forth in paragraph (1) of subdivision (b) of Section 24416, of that excess loss shall be carried forward to each of the next 10 taxable years.

(2) The entire amount of any excess loss as defined in subdivision (c) shall be carried to the earliest of the taxable years to which, by reason of subdivision (b), the loss may be carried. The portion of the loss which shall be carried to each of the other taxable years shall be the excess, if any, of the amount of excess loss over the sum of the net income for each of the prior taxable years to which that excess loss is carried.

(c) "Excess loss" means a loss computed pursuant to Section 165 of the Internal Revenue Code, which exceeds the net income of the year of loss or, if the election under subdivision (f) is made, the net income of the year preceding the loss.

(d) Any corporation subject to the provisions of Section 25101 or 25101.15 that has losses pursuant to this section, shall determine the excess loss to be carried to other taxable years under the principles specified in Section 25108 relating to net operating losses.

(e) Losses allowable under this section may not be taken into account in computing a net operating loss deduction under Section 172 of the Internal Revenue Code.

(f) A taxpayer may elect to take the loss into account in the taxable year preceding the taxable year in which the loss is incurred. The election may be made on a return or amended return filed on or before the due date of the return, determined with regard to extension, for the taxable year in which the disaster occurred.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to prevent outbreaks of West Nile virus, and to provide essential relief to persons who suffer damage as a result of the virus, it is necessary that this act take effect immediately.

1 ~~CHAPTER 2.8. TRANSITION ASSISTANCE ACT OF 2005~~

2
3 ~~9950. This chapter shall be known and may be cited as the~~
4 ~~Transition Assistance Act of 2005.~~

5 ~~9951. The Legislature finds and declares all of the following:~~

6 ~~(a) The transition of public water from one beneficial use,~~
7 ~~especially irrigation use in an agriculturally dependent economy;~~
8 ~~to a beneficial use in another community forces the former to~~
9 ~~adjust to a less water-dependent economy.~~

10 ~~(b) A shift in use of a public resource that causes a~~
11 ~~disproportionate impact to any of the citizens of this state should~~
12 ~~be mitigated in order to ensure environmental justice.~~

13 ~~(c) A specific, clear, and continuous need for ensuring~~
14 ~~environmental justice is the need to provide transition assistance~~
15 ~~for dislocated workers from land fallowing as a result of any~~
16 ~~publicly funded or subsidized program, including land~~
17 ~~retirement, water transfers, and river restoration.~~

18 ~~(d) It is the intent of the Legislature that by enacting this~~
19 ~~chapter the adverse impact of land fallowing will be minimized~~
20 ~~in order to maintain the economic and social well-being of~~
21 ~~communities.~~

22 ~~(e) This chapter establishes a uniform policy for the fair and~~
23 ~~equitable treatment of workers displaced as a direct result of~~
24 ~~programs or projects undertaken by a public entity.~~

25 ~~(f) The primary purpose of this chapter is to ensure that~~
26 ~~dislocated workers will not suffer disproportionate injuries as a~~
27 ~~result of programs and projects designed for the benefit of the~~
28 ~~public as a whole and to minimize the hardship of displacement~~
29 ~~on these workers.~~

30 ~~9952. For purposes of this section:~~

31 ~~(a) "Displaced worker" means any person who loses his or her~~
32 ~~employment as a direct result of a project undertaken by a public~~
33 ~~entity or by any person having an agreement with, or acting on~~
34 ~~behalf of, a public entity.~~

35 ~~(b) "Public entity" means the same as defined in Section 7260~~
36 ~~of the Government Code.~~

37 ~~(c) "Displacing agency" means any public entity or person~~
38 ~~carrying out a program or project that causes a person to be a~~
39 ~~displaced worker.~~

~~9953. (a) Programs or projects undertaken by a public entity shall be planned in a manner that does both of the following:~~

~~(1) Recognizes, at an early stage in the planning of the programs or projects and before the commencement of any actions that will cause displacements, the problems associated with the displacement of workers.~~

~~(2) Provides for the resolution of these problems in order to minimize adverse impacts on displaced workers and to expedite program or project advancement and completion. The head of the displacing agency shall ensure the transition assistance advisory services described in Section 9954 are made available to all workers displaced by the public entity.~~

~~(b) The advisory service shall include those measures, facilities, or services that are necessary or appropriate to do all of the following:~~

~~(1) Determine and make timely recommendations on the needs and preferences, if any, of displaced workers for transition assistance.~~

~~(2) Maintain an assessment of impacts.~~

~~(c) The head of the displacing agency shall coordinate its transition assistance program with the project work necessitating the displacement and with other planned or proposed activities of other public entities in the community or nearby areas that may affect the implementation of its relocation assistance program.~~

~~9954. If a program or project to be undertaken by a public entity results in the displacement of any worker, the displaced worker shall be entitled to transition assistance and transition assistance advisory services, including:~~

~~(a) Actual foregone income in the lump-sum payment equivalent to a minimum of 5 percent of annual earnings for each year worked and shall not be less than one thousand dollars (\$1,000):~~

~~(1) The transition assistance payments shall not be deducted from employee or employer provided pension plans or wages.~~

~~(2) The transition assistance payments shall be paid within 30 days from the date of dislocation.~~

~~(b) Medical insurance copayments for six months after date of displacement, if applicable.~~

~~(c) Job training.~~

~~(d) Assist in finding new jobs.~~

- 1 ~~(e) Small business loans.~~
- 2 ~~(f) Other forms of assistance.~~

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